

SENATE BILL No. 377

DIGEST OF INTRODUCED BILL

Citations Affected: IC 7.1-1-3; IC 7.1-3-10.

Synopsis: Alcoholic beverage sales in grocery stores. Defines "grocery store" and "major grocery store" for purposes of the alcoholic beverages law. Provides that the alcohol and tobacco commission may issue a liquor dealer's permit for a major grocery store located inside or outside the corporate limits of a city or town. Specifies that a statutory disqualification concerning the issuance of beer retailer permits does not apply to a major grocery store. Specifies that a drug store or a major grocery store may sell any item through a window that is not an alcoholic beverage.

Effective: July 1, 2003.

Server, Broden

January 16, 2003, read first time and referred to Committee on Commerce and Consumer Affairs.

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First Regular Session 113th General Assembly (2003)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2002 Regular or Special Session of the General Assembly.

SENATE BILL No. 377

A BILL FOR AN ACT to amend the Indiana Code concerning alcoholic beverages and tobacco.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 7.1-1-3-15 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 15. ~~Drug Store:~~ The
3 term "Drug store" means a retail business establishment:

- 4 (1) in which medicines and miscellaneous articles are sold; and
5 (2) **the proprietor of which holds a license issued by the state**
6 **board of pharmacy.**

7 SECTION 2. IC 7.1-1-3-18.5 IS ADDED TO THE INDIANA
8 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
9 [EFFECTIVE JULY 1, 2003]: **Sec. 18.5. "Grocery store" means a**
10 **store or a department within a general merchandise store that is**
11 **engaged in the retail sale of packaged food directly to the consumer**
12 **for off premises consumption. The term does not include a store**
13 **that is engaged primarily in the sale of food prepared for**
14 **consumption:**

- 15 (1) on the premises; or
16 (2) **after removal from the premises on a "take out" basis.**

17 SECTION 3. IC 7.1-1-3-22.5 IS ADDED TO THE INDIANA



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CODE AS NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 22.5. **"Major grocery store" means a grocery store as defined in section 18.5 of this chapter that:**

(1) **has at least ten thousand (10,000) square feet of retail space; and**

(2) **has automotive fuel sales that comprise less than ten percent (10%) of the store's total gross sales.**

SECTION 4. IC 7.1-3-10-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 2. ~~Drug Stores:~~ The commission may issue a liquor dealer's permit to the proprietor of a drug store ~~who holds a license issued by the state board of pharmacy.~~ **or a major grocery store.** An applicant for a liquor dealer's permit for a drug store **or a major grocery store** shall not be disqualified under ~~IC 1971, 7.1-3-4-2(m).~~ **IC 7.1-3-4-2(13).**

SECTION 5. IC 7.1-3-10-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 3. The commission may issue a liquor dealer's permit to a drugstore **or a major grocery store** situated outside the corporate limits of a city or town. ~~if the proprietor of the drugstore holds a license issued by the state board of pharmacy.~~ The permit authorized by this section shall be issued in the same manner, and subject to the same restrictions, as that which is provided for in the issuance of a liquor dealer's permit to a drugstore **or a major grocery store** situated inside the corporate limits of a city or town.

SECTION 6. IC 7.1-3-10-7, AS AMENDED BY P.L.204-2001, SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 7. (a) The holder of a liquor dealer's permit shall be entitled to purchase liquor only from a permittee entitled to sell to a liquor dealer under this title.

(b) A liquor dealer shall be entitled to possess liquor and sell it at retail in its original package to a customer only for consumption off the licensed premises.

(c) A liquor dealer may deliver liquor only in permissible containers to a customer's residence or office in a quantity that does not exceed twelve (12) quarts at any one (1) time. However, a liquor dealer who is licensed under IC 7.1-3-10-4 may deliver liquor in permissible containers to a customer's residence, office, or designated location. This delivery may only be performed by the permit holder or an employee who holds an employee permit. The permit holder shall maintain a written record of each delivery for at least one (1) year that shows the customer's name, location of delivery, and quantity sold.

(d) A liquor dealer may not sell or deliver alcoholic beverages or any other item through a window in the licensed premises to a patron

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1 who is outside the licensed premises. However, a liquor dealer that is
2 a drug store **or a major grocery store** may sell ~~prescription drugs and~~
3 ~~health and beauty aids~~ **any item that is not an alcoholic beverage**
4 through a window in the licensed premises to a patron who is outside
5 the licensed premises.

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